\$1.5 BILLION TIGER DISCRETIONARY GRANTS PROGRAM OUTLINE OF SOLICITATION AND SELECTION CRITERIA

Interim Notice of Funding Availability: On Monday, May 18, 2009, the Department of Transportation published a notice of funding availability and solicitation of applications from applicants seeking funds under this program.

Public Comments: The solicitation announces the availability of funding for TIGER Discretionary Grants, project selection criteria, application requirements and the deadline for submitting applications, which is September 15, 2009. Because this is a new program, however, the solicitation also provides two weeks for comments on the proposed selection criteria and guidance for awarding TIGER Discretionary Grants. The Department will take all comments into consideration and may publish a supplemental notice revising some elements of the solicitation. Any such amendment will be published by June 17, 2009.

Eligible Applicants: Funds under this program will be awarded to State and local governments, including U.S. territories, tribal governments, transit agencies, port authorities, other political subdivisions of State or local governments, and multi-State or multi-jurisdictional applicants.

Eligible Projects: Projects that are eligible for TIGER Discretionary Grants include, but are not limited to, capital investments in: (1) highway or bridge projects; (2) public transportation projects; (3) passenger and freight rail transportation projects; and (4) port infrastructure investments, including projects that connect ports to other modes of transportation and improve the efficiency of freight movement.

Selection Criteria: TIGER Discretionary Grants will be awarded based on the following selection criteria, which incorporate the criteria specified in the Recovery Act:

- (a) <u>Long-Term Outcomes</u>: The Department will give priority to projects that have a significant impact on desirable long-term outcomes for the Nation, a metropolitan area, or a region. The following types of long-term outcomes will be given priority:
 - (i) <u>State of Good Repair</u>: Improving the condition of existing transportation facilities and systems, with particular emphasis on projects that minimize life-cycle costs.
 - (ii) <u>Economic Competitiveness</u>: Contributing to the economic competitiveness of the United States over the medium- to long-term.
 - (iii)<u>Livability</u>: Improving the quality of living and working environments and the experience for people in communities across the United States.
 - (iv) <u>Sustainability</u>: Improving energy efficiency, reducing dependence on oil, reducing greenhouse gas emissions and benefitting the environment.
 - (v) Safety: Improving the safety of U.S. transportation facilities and systems.
- (b) <u>Job Creation & Economic Stimulus</u>: Consistent with the purposes of the Recovery Act, the Department will give priority to projects that are expected to quickly create and preserve jobs and stimulate rapid increases in economic activity, particularly jobs and activity that benefit economically distressed areas.
- (c) <u>Innovation</u>: The Department will give priority to projects that use innovative strategies to pursue the long-term outcomes outlined above.

(d) <u>Partnership</u>: The Department will give priority to projects that demonstrate strong collaboration among a broad range of participants and/or integration of transportation with other public service efforts.

The solicitation provides additional guidance on the selection criteria. The Department will give more weight to the Long-Term Outcomes and Jobs Creation & Economic Stimulus criteria than to the Innovation and Partnership criteria. Projects that are unable to demonstrate a likelihood of significant long-term benefits in any of the five long-term outcomes will not proceed in the evaluation process. For the Jobs Creation & Economic Stimulus criterion, a project that is not ready to proceed quickly is less likely to be successful.

Program-Specific Criteria: The Department will use certain program-specific criteria to help differentiate between similar projects (for example, New Starts projects, or bridge replacements). To the extent two or more similar projects have similar ratings based on the selection criteria the program-specific criteria will be used to assign priority among these projects.

Distribution of Funds: The Recovery Act prohibits the award of more than 20 percent of the funds made available under this program to projects in any one State. The Recovery Act also requires that the Department take measures to ensure an equitable geographic distribution of funds and an appropriate balance in addressing the needs of urban and rural communities.

Waiver of Minimum Grant Size Requirement: The Recovery Act specifies that TIGER Discretionary Grants may be no less than \$20 million and no greater than \$300 million. However, the Department has discretion under the Recovery Act to waive the \$20 million minimum grant size requirement for significant projects in smaller cities, regions or States. Applicants for TIGER Discretionary Grants of less than \$20 million are encouraged to apply.

TIFIA: Up to \$200 million of the \$1.5 billion available for TIGER Discretionary Grants may be used to pay the subsidy and administrative costs of the TIFIA program if it would further the purposes of the TIGER Discretionary Grants program. Given the average subsidy cost of the existing TIFIA portfolio, \$200 million in TIGER TIFIA Payments could support approximately \$2 billion in Federal credit assistance. Applicants seeking TIGER TIFIA Payments should apply in accordance with all of the criteria and guidance specified for TIGER Discretionary Grant applicants and will be evaluated concurrently with all other applications.

Grant Administration: The Department expects that each TIGER Discretionary Grant will be administered by the modal administration in the Department with the most experience and/or expertise in the relevant project area. Applicable Federal laws, rules and regulations will apply to projects that receive TIGER Discretionary Grants, including all of the reporting and other requirements included in the Recovery Act.